

CASE No.

4811

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Application,

Transcripts,

Small Exhibits

ETC.

BEFORE THE  
NEW MEXICO OIL CONSERVATION COMMISSION  
CONFERENCE HALL, STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO  
September 13, 1972

EXAMINER HEARING

IN THE MATTER OF:

Application of Atlantic Richfield  
Company for a non-standard  
proration unit, Lea County, New  
Mexico.

CASE NO. 4811

BEFORE: Daniel S. Nutter  
Examiner

TRANSCRIPT OF HEARING

dearnley, meier & mc cormick

208 SIMMS BLDG., P.O. BOX 1092, PHONE 243-6691, ALBUQUERQUE, NEW MEXICO 87103  
1216 FIRST NATIONAL BANK BLDG. EAST ALBUQUERQUE, NEW MEXICO 87102

1 MR. HATCH: Case No. 4811: Application of  
2 Atlantic Richfield Company for a non-standard proration  
3 unit, Lea County, New Mexico.

4 MR. HINKLE: Clarence Hinkle, of Hinkle,  
5 Bondurant, Cox and Eaton, appearing on behalf of Atlantic  
6 Richfield.

7 We have one witness we would like to have sworn.

8 \* \* \* \* \*

9 JERRY TWEED,  
10 appeared as a witness, and having been duly sworn according  
11 to law, testified as follows:

12 DIRECT EXAMINATION

13 BY MR. HINKLE:

14 Q State your name and your address and by whom you are  
15 employed?

16 A Jerry Tweed, Midland, Texas, and I'm employed by  
17 Atlantic Richfield Company.

18 Q And what is your position with Atlantic Richfield?

19 A Senior operations engineer.

20 Q You are a graduate petroleum engineer?

21 A Yes, sir.

22 Q You have previously testified before the Commission?

23 A Yes.

24 Q Your qualifications as a petroleum engineer are  
25 on record with the Commission?

1 A Yes, they are.

2 Q Are you familiar with the Application of Atlantic  
3 Richfield in this case?

4 A Yes, sir.

5 Q What is Atlantic Richfield seeking to accomplish?

6 A We're making application for a non-standard gas  
7 proration unit in the Blinebry Gas Pool consisting of  
8 120 acres being dedicated to our State 367 Well No. 3.

9 Q Have you prepared or has there been prepared under  
10 your direction, an Exhibit for introduction into  
11 this case?

12 A Yes, there has.

13 Q I refer you to Exhibit Number 1 and ask you to explain  
14 what this shows?

15 A Exhibit Number 1 is a well location acreage dedicated  
16 plat and it shows the acreage that we wish to dedicate  
17 the Number 3 well. The acreage consists of the N/2  
18 of the SE/4 and NE/4 of the SW/4 of Section 36,  
19 Township 21 South, Range 37 East.

20 Q What acreage is dedicated to the Number 3 well at the  
21 present time?

22 A Well, referring to Exhibit Number 2 in this Case, at  
23 the present time, the N/2 of the S/2 of Section 36 is  
24 dedicated to both Number 2 and Number 3 wells  
25 simultaneously. The allowables of this 160 acre

1 unit can be produced from either well and any pro-  
2 portion. That is Rule R-3929. Just recently, the  
3 Number 2 well has been reclassified as a Blinbry  
4 oil well, this necessitates our request at this time  
5 to have a 120 acre non-standard proration unit dedicated  
6 to the Number 3 well.

7 Q You are simply deleting the NW of the SW from the  
8 present proration unit, is that right?

9 A Yes, that is right.

10 Q What is the character of well Number 3 that is on the  
11 proposed proration unit?

12 A It's deliverability is presently about 550 MCF a day;  
13 it would be a non-standard gas well. Excuse me, it  
14 would be a non-marginal gas well.

15 Q You said this is about all you can do because of the  
16 oil well, is that right?

17 A Yes, sir.

18 Q In your opinion, would the designation of this 120  
19 acres and the dedication of it to Number 3 be in the  
20 interest of preventing waste and protecting correlative  
21 rights?

22 A Yes, sir.

23 MR. HINKLE: We would like to offer Exhibits 1  
24 and 2.

25 MR. NUTTER: Atlantic Richfield's Exhibits 1 and

2 will be admitted.

(Whereupon, Applicant's Exhibits Number 1 and 2 were marked and received into evidence.)

\* \* \* \* \*

CROSS-EXAMINATION

BY MR. NUTTER:

Q Mr. Tweed, you say that this Order R-3929 was the one that created the 160 acre non-standard?

A Yes.

Q So this Order would be superseded and replaced by one designated as a 120 acre unit?

A Yes, sir.

MR. NUTTER: Are there any other questions of

Mr. Tweed?

(No response.)

MR. NUTTER: You may be excused.

(Witness excused.)

MR. NUTTER: If there is nothing further, any questions, we will take the case under advisement and call Case Number 4812.

dearnley, meier & mc cormick report

209 SIMMS BLDG., P.O. BOX 1092, PHONE 243-6591, ALBUQUERQUE, NEW MEXICO 87103  
1216 FIRST NATIONAL BANK BLDG. EAST ALBUQUERQUE, NEW MEXICO 87108

dearnley, meier & mc cormick reporting services, inc.

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PAGE

7

1 STATE OF NEW MEXICO )  
2 ) ss  
3 COUNTY OF BERNALILLO )

4 I, JOHN DE LA ROSA, a Court Reporter, in and for the  
5 County of Bernalillo, State of New Mexico, do hereby certify  
6 that the foregoing and attached Transcript of Hearing  
7 before the New Mexico Oil Conservation Commission was  
8 reported by me; and that the same is a true and correct  
9 record of the said proceedings to the best of my knowledge,  
10 skill and ability.

11 John De La Rosa  
12 COURT REPORTER  
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9/13  
C. J. Sims  
New Mexico Oil Conserv.

4811  
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I N D E X

WITNESS:

PAGE

JERRY TWEED

Direct Examination by Mr. Hinkle

3

Cross-Examination by Mr. Nutter

6

E X H I B I T S

APPLICANT'S

OFFERED

ADMITTED

Atlantic Richfield Company

Exhibit Number 1

4

6

Exhibit Number 2

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6





**OIL CONSERVATION COMMISSION**

**STATE OF NEW MEXICO**  
**P. O. BOX 2088 - SANTA FE**  
**87501**

**September 22, 1972**

**GOVERNOR  
BRUCE KING  
CHAIRMAN**

**LAND COMMISSIONER  
ALEX J. ARMUJO  
MEMBER**

**STATE GEOLOGIST  
A. L. PORTER, JR.  
SECRETARY - DIRECTOR**

Mr. Clarence Hinkle  
Hinkle, Bondurant, Cox & Eaton  
Attorneys at Law  
Post Office Box 10  
Roswell, New Mexico 88201

4811 ✓  
4812  
Re: Case No. \_\_\_\_\_  
Order No. R-4401 & R-4402  
Applicant:  
Atlantic & Midwest

**Dear Sir:**

Enclosed herewith are two copies of the above-referenced Commission order recently entered in the subject case.

very truly yours,

A. L. PORTER, Jr.  
Secretary-Director

ALP/ir

Copy of order also sent to:

Hobbs OCC \_\_\_\_\_ x  
 Artesia OCC \_\_\_\_\_ x (R-R-4402)  
 Aztec OCC \_\_\_\_\_

Other

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
COMMISSION OF NEW MEXICO FOR  
THE PURPOSE OF CONSIDERING:

CASE NO. 4811  
Order No. R-4401

APPLICATION OF ATLANTIC RICHFIELD  
COMPANY FOR A NON-STANDARD PRORATION  
UNIT, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on September 13, 1972, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 22nd day of September, 1972, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Atlantic Richfield Company, was authorized, by Order No. R-3929, a non-standard proration unit in the Blinebry Gas Pool comprising the N/2 S/2 of Section 36, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico, dedicated simultaneously to its State 367 Wells No. 2 and 3, located in Units L and K, respectively, of said Section 36.

(3) That said Well No. 2 has been reclassified as an oil well in the Blinebry Pool.

(4) That the applicant seeks approval of a 120-acre non-standard gas proration unit in the Blinebry Gas Pool comprising the NE/4 SW/4 and N/2 SE/4 to be dedicated to its State 367 Well No. 3 located in Unit K of said Section 36.

(5) That the non-standard gas proration unit requested by the applicant may reasonably be presumed to be productive of gas from the Blinebry Gas Pool and can be efficiently and economically drained and developed by the aforesaid well.

-2-

CASE NO. 4811  
Order No. R-4401

(6) That approval of the 120-acre non-standard gas proration unit as requested by the applicant will afford the applicant the opportunity to produce its just and equitable share of the gas in the Blinebry Gas Pool, will prevent the economic loss caused by the drilling of unnecessary wells, will avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

(7) That Order No. R-3929 should be placed in abeyance.

IT IS THEREFORE ORDERED:

(1) That, effective as of September 1, 1972, a 120-acre non-standard gas proration unit in the Blinebry Gas Pool comprising the N/2 SE/4 and the NE/4 SW/4 of Section 36, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico, is hereby established and dedicated to the Atlantic Richfield Company State 367 Well No. 3, located in Unit K of said Section 36.

(2) That the allowable assigned to the above-described non-standard gas proration unit shall be based upon the unit size of 120-acres.

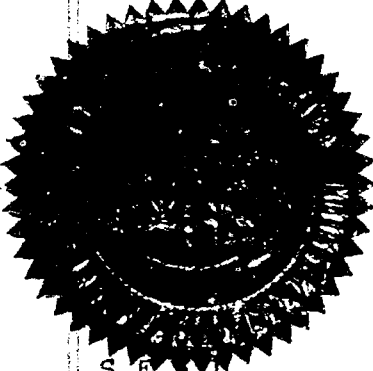
(3) That the status of said non-standard unit shall be the status, as of September 1, 1972, of the 160-acre unit previously authorized by Order No. R-3929.

(4) That Order No. R-3929, is hereby placed in abeyance.

(5) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

  
*Bruce King*  
BRUCE KING, Chairman

*Alex J. Armijo*  
ALEX J. ARMILLO, Member

*A. L. Porter, Jr.*  
A. L. PORTER, Jr., Member & Secretary

S E X D

dr/

(Case 4827 continued from Page 4)

authority to drill a gas well at an off-pattern unorthodox location 990 feet from the North and East lines of Section 11, Township 15 South, Range 27 East, Buffalo Valley-Pennsylvanian Gas Pool, Chaves County, New Mexico, with the E/2 of said Section 11 to be dedicated to the well.

CASE 4828: Application of Inexco Oil Company for a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority for the dual completion of its McMinn State Well No. 1 located 1980 feet from the South and West lines of Section 18, Township 21 South, Range 26 East, Eddy County, New Mexico, in such a manner as to produce gas from the Strawn formation and the Morrow formation adjacent to the Catclaw Draw-Morrow Gas Pool.

(Case 4821 continued from Page 3)

to Rule 303 of the Commission Rules and Regulations, authority to commingle production from the North Vacuum-Abo, Vacuum-Wolfcamp, and Vacuum-Pennsylvanian Pools in the wellbore of its State "BA" Well No. 8 located in Unit B of Section 36, Township 17 South, Range 34 East, Lea County, New Mexico.

CASE 4822: Application of Getty Oil Company for an unorthodox location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox location for its State "BA" Well No. 9 located 660 feet from the North line and 2310 feet from the East line of Section 36, Township 17 South, Range 34 East, Vacuum Grayburg-San Andres Pool, Lea County, New Mexico. Said well being nearer than 660 feet to another well capable of producing from the same pool.

CASE 4823: Application of Getty Oil Company for an unorthodox location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox location for its A. B. Coates "C" Well No. 28 located 1820 feet from the North and West lines of Section 24, Township 25 South, Range 37 East, Justis Blinebry Pool, Lea County, New Mexico. Said well being located nearer than 660 feet to another well capable of producing from the same pool.

CASE 4824: Application of Getty Oil Company for an unorthodox location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox location for its H. D. McKinley Well No. 11 located 760 feet from the North line and 550 feet from the East line of Section 30, Township 18 South, Range 38 East, Hobbs Grayburg-San Andres Pool, Lea County, New Mexico. Said well being nearer than 660 feet to another well capable of producing from the same pool.

CASE 4825: Application of Hanagan Petroleum Corporation for dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of its Catclaw Draw Unit Well No. 3 located in Unit D of Section 36, Township 21 South, Range 25 East, Eddy County, New Mexico, in such a manner as to produce gas from an undesignated Strawn gas pool through tubing and from the Catclaw Draw-Morrow Gas Pool through the casing-tubing annulus.

CASE 4826: Application of Hanagan Petroleum Corporation for pool creation, special pool rules, and an unorthodox location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new Strawn gas pool for its well located 920 feet from the North and West lines of Section 36, Township 21 South, Range 25 East, Eddy County, New Mexico, and the promulgation of special rules therefor, including a provision for 640-acre spacing units. Applicant further seeks approval of an unorthodox location for the above-described well.

CASE 4827: Application of Robert N. Enfield for an unorthodox location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks

(Case 4816 continued from Page 2)

to establish a limiting gas-oil ratio limitation of 6,000 cubic feet of gas per barrel of oil in said pool.

CASE 4817: Application of Phillips Petroleum Company for a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of its Drag "B" Well No. 1 located in Unit K of Section 18, Township 23 South, Range 27 East, Eddy County, New Mexico, in such a manner as to produce gas from the South Carlsbad-Morrow Gas Pool through tubing and an undesignated Canyon gas pool through the casing-tubing annulus.

CASE 4818: Application of Tipperary Land and Exploration Corporation for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in the North Bagley-Pennsylvanian Pool by the injection of water into the Strawn and possibly other formations by the injection of water through its Bess Well No. 1 located 660 feet from the North line and 1980 feet from the East line of Section 20, Township 11 South, Range 33 East, Lea County, New Mexico.

CASE 4819: Application of D. L. Hannifin for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in and under the S/2 of Section 24, Township 22 South, Range 26 East, South Carlsbad Field, Eddy County, New Mexico, to be dedicated to a well to be drilled 1000 feet from the South and East lines of said Section 24. Also to be considered will be the costs of drilling said well, a charge for the risk involved, a provision for the allocation of actual operating costs, and the establishment of charges for supervision of said well.

CASE 4820: Application of Anadarko Production Company for the creation of an associated pool, special rules therefor, downhole and surface commingling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new associated pool for the production of oil and gas from the Yates and Seven Rivers formations for its Loco Hills Federal "B" Wells Nos. 1 and 8 located, respectively, in Units P and K of Section 9, Township 17 South, Range 30 East, Eddy County, New Mexico, and the promulgation of special rules therefor including provisions for the classification of oil and gas wells, oil and gas well spacing, and an unlimited gas-oil ratio.

Applicant further seeks authority to commingle in the well-bore of said Well No. 1 the Yates-Seven Rivers production from the newly created pool and the Grayburg-Jackson Pool and to commingle on the surface the Yates-Seven Rivers production from said Well No. 8 with production from the Grayburg-Jackson Pool.

CASE 4821: Application of Getty Oil Company for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks as an exception

CASE 4577: (Reopened)

In the matter of Case 4577 being reopened pursuant to the provisions of Order No. R-4181, which order established special rules and regulations for the Parkway-Wolfcamp Pool, Eddy County, New Mexico, including a provision for 160-acre spacing units. All interested persons may appear and show cause why said pool should not be developed on 40-acre or 80-acre spacing units.

CASE 4811: Application of Atlantic Richfield Company for a non-standard proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 120-acre non-standard gas proration unit comprising the N/2 SE/4 and NE/4 SW/4 of Section 36, Township 21 South, Range 37 East, Blinbry Gas Pool, Lea County, New Mexico, to be dedicated to its State 367 Well No. 3 located in Unit K of said Section 36.

CASE 4812: Application of Midwest Oil Corporation for an unorthodox location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks as an exception to Rule 104, authority to drill a wildcat gas well to test the Morrow formation at an unorthodox location 1320 feet from the South and East lines of Section 1, Township 18 South, Range 28 East, Eddy County, New Mexico, with the S/2 of said Section 1 to be dedicated to the well.

CASE 4813: Application of Inexco Oil Company for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Sitting Bull Unit Area comprising 6,665 acres, more or less, of Federal lands in Sections 28, 29, 31, 32, and 33 of Township 23 South, Range 22 East, and Sections 4 through 9 of Township 24 South, Range 22 East, Eddy County, New Mexico.

CASE 4814: Application of Inexco Oil Company for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Four Forks Unit Area comprising 3,133 acres, more or less, of Federal and Fee lands in Sections 3, 10, 11, 14 and 15 of Township 22 South, Range 25 East, Eddy County, New Mexico.

CASE 4815: Application of Inexco Oil Company for pool creation and special pool rules, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new Strawn gas pool for its well located 1980 feet from the South and West lines of Section 18, Township 21 South, Range 26 East, Eddy County, New Mexico. Applicant further seeks the promulgation of special rules therefor, including a provision for 640-acre spacing units.

CASE 4816: Application of Penroc Oil Corporation for a special gas-oil ratio limitation increase, Lea County, New Mexico. Applicant, in the above-styled cause, seeks amendment of the special rules and regulations for the Hobbs-Drinkard Pool promulgated by Order No. R-3811, as amended,

DOCKET: EXAMINER HEARING - WEDNESDAY - SEPTEMBER 13, 1972

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM,  
STATE LAND OFFICE BUILDING - SANTA FE, NEW MEXICO

The following cases will be heard before Daniel S. Nutter, Examiner, or Elvis A. Utz, Alternate Examiner:

- ALLOWABLE: (1) Consideration of the allowable production of gas for October, 1972, from seventeen prorated pools in Lea, Eddy, Chaves and Roosevelt Counties, New Mexico;
- (2) Consideration of the allowable production of gas from nine prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico, for October, 1972.

CASE 4808: Application of Skelly Oil Company for a waterflood expansion and dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks to expand its Grayburg-Jackson Skelly Unit Waterflood Project, Grayburg-Jackson Pool, Eddy County, New Mexico, by the injection of water through its Unit Well No. 114 located in Unit D of Section 14, Township 17 South, Range 31 East. Said Well No. 114 to be completed as a dual completion in such a manner as to permit the production of oil from the Fren-Sevens Rivers Pool and the injection of water into the Grayburg-Jackson Pool.

CASE 4809: Application of Saturn Oil Company for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Antebellum Unit Area comprising 3,840 acres, more or less, of State and Federal lands in Township 23 South, Range 34 East, Lea County, New Mexico.

CASE 4810: In the matter of the application of the Oil Conservation Commission on its own motion to consider the revision of the special rules for the Devils Fork Gallup Associated Pool and the Escrito Gallup Associated Pool, Rio Arriba and San Juan Counties, New Mexico, promulgated by Orders Nos. R-1670-B and R-1793-A, respectively, to permit taking of gas-oil ratio and bottom-hole pressure tests on an annual basis rather than quarterly and semi-annually, as is now required.

CASE 4747: (Continued from the July 26, 1972, Examiner Hearing)

Application of Union Texas Petroleum, a Division of Allied Chemical Corporation for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests below the base of the Devonian formation underlying the N/2 of Section 33, Township 25 South, Range 37 East, Crosby Field, Lea County, New Mexico. Said acreage to be dedicated to its well to be located 1650 feet from the North line and 2310 feet from the East line of said Section 33. Also to be considered will be the costs of drilling said well, a charge for the risk involved, a provision for the allocation of actual operating costs, and the establishment of charges for supervision of said well.



NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT AMENDED

Form C-102  
Supersedes C-128  
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

Operator <b>Atlantic Richfield Company</b>		Lease <b>State 367</b>		Well No. <b>3</b>
Unit Letter <b>K</b>	Section <b>36</b>	Township <b>21-S</b>	Range <b>37-E</b>	County <b>Lea</b>
Actual Footage Location of Well: <b>1980</b> feet from the <b>South</b> line and <b>1980</b> feet from the <b>West</b> line				
Ground Level Elev. <b>3358'</b>	Producing Formation <b>Blinebry</b>	Pool <b>Blinebry-Gas</b>	Dedicated Acreage: <b>120</b> Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation \_\_\_\_\_

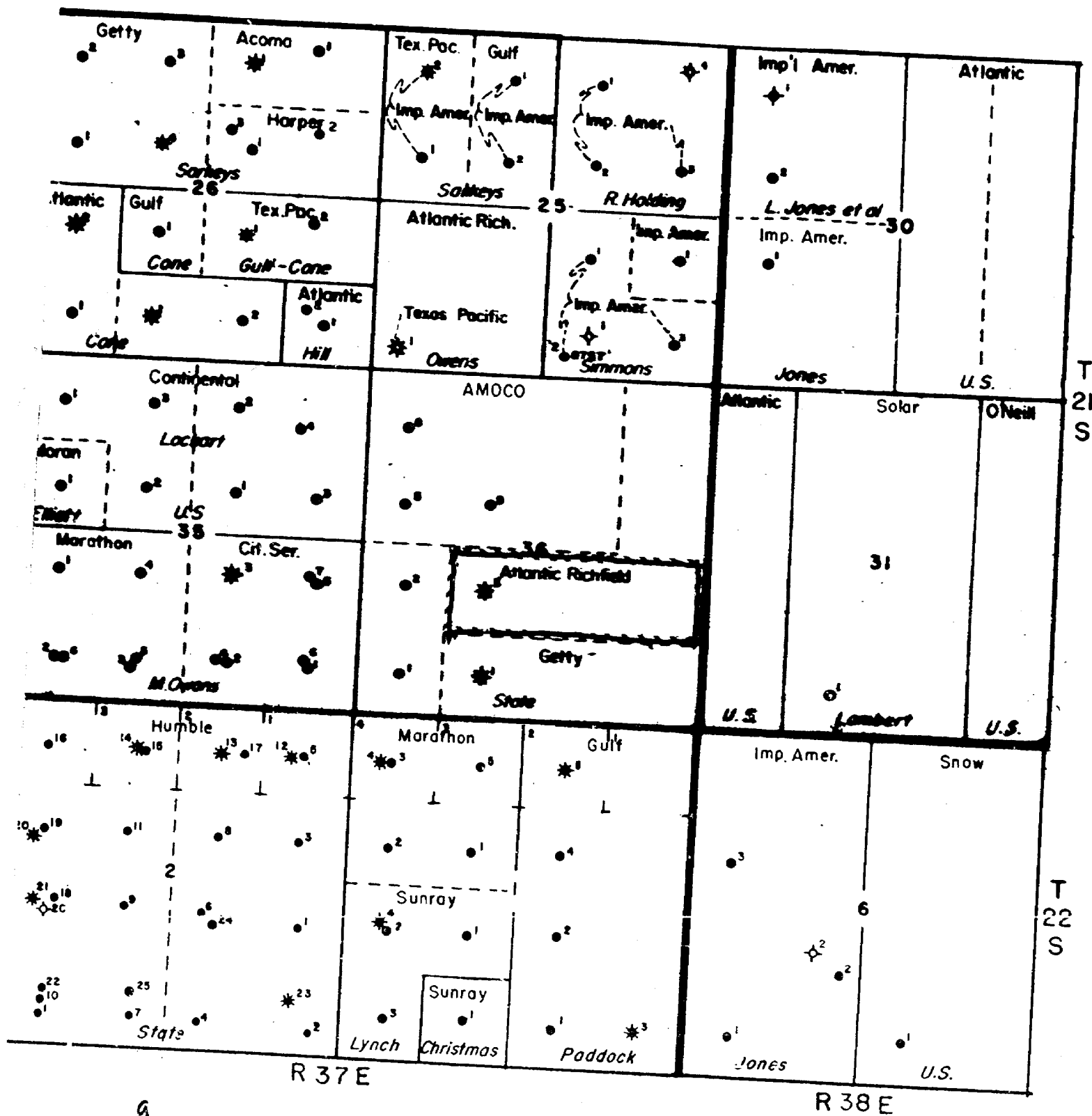
If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) \_\_\_\_\_

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.

R-37E

T 21 S		<p align="center"><b>CERTIFICATION</b></p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>G. V. Ricks</i></p> <p>Name <b>G. V. Ricks</b></p> <p>Position <b>Dist. Prod. &amp; Drlg. Supt.</b></p> <p>Company <b>Atlantic Richfield Co.</b></p> <p>Date <b>August 7, 1972</b></p>	
		<p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.</p> <p>Date Surveyed _____</p> <p>Registered Professional Engineer and/or Land Surveyor _____</p> <p>Certificate No. _____</p>	

Exhibit No. 1



R-3929

PRORATION UNIT REQUESTED

Exhibit No. 2

Atlantic Richfield Company		
North American Producing Division		
Permian District - Midland, Texas		
BLINEBRY GAS POOL		
LEA COUNTY, NEW MEXICO		
APPLICATION FOR NON		
STANDARD GAS PRORATION UNIT		
BY J. TWEED	DRAWN BY COM	DATE
DATE	REVIEWED BY	DATE
REPT W. ENG.	DATE	DATE

OIL CONSERVATION COMMISSION  
P. O. BOX 2088  
SANTA FE, NEW MEXICO 87501

August 14, 1972

*Case 4811*

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Y

Atlantic Richfield Company  
P. O. Box 1610  
Midland, Texas 79701

DOCKET MAILED

Date 8-21-72

Re: Non-Standard Gas Proration Unit  
Revision of Order No. R-3929  
State 367 Well No. 3  
Blinebry Gas Pool  
Section 36, T-21-S, R-37-E  
Lea County, New Mexico

Gentlemen:

We have set the above-described non-standard gas proration unit for hearing before an examiner for September 13, 1972. A copy of the docket will be mailed to you at a later date.

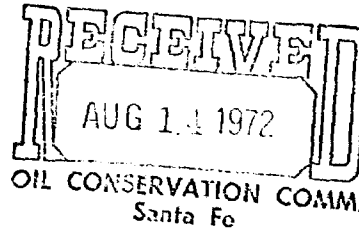
Yours very truly,

GEORGE M. HATCH  
Attorney

GMH/dr

Atlantic Richfield Company

North American Producing Division  
Permian District  
Post Office Box 1610  
Midland, Texas 79701  
Telephone 915 682 8631



August 13, 1972

New Mexico Oil Conservation Commission  
P. O. Box 2088  
Santa Fe, New Mexico

Attention Mr. A. L. Porter, Jr. (3)

Re: Non-Standard Gas Proration Unit  
Revision of Order No. R-3929  
State 367 Well No. 3  
Blinebry Gas Pool  
Section 36, T-21S, R-37E  
Lea County, New Mexico

Gentlemen:

Atlantic Richfield Company respectfully requests administrative approval of a revision to Order R-3929 to provide for a 120-acre non-standard gas unit to be assigned to our State 367 Well No. 3. The unit would consist of the N/2 of the SE/4 and the NE/4 of the SW/4 of Section 36, T-21S, R-37E. The No. 3 well is located in Unit K of Section 36.

The present order provides for a 160-acre non-standard gas proration unit consisting of the N/2 S/2 of Section 36, being simultaneously dedicated to our State 367 Wells No. 2 and 3, located in Units L and K respectively of Section 36. As of July 1, 1972, the State 367 No. 2 was reclassified as a Blinebry oil well. Therefore, the revision we are requesting would simply consist of removing the No. 2 well and its 40-acre oil unit from the present 160-acre non-standard gas unit.

The offset operators have been provided a copy of this application by certified mail.

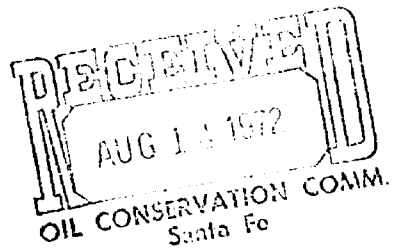
Yours very truly,

*Jerry L. Tweed*  
Jerry L. Tweed

JLT/agp

Addressee List Attached.

*Case 4811*



New Mexico Oil Conservation Commission  
August 13, 1972  
Page 2

Addressee List

Getty Oil Company  
P. O. Box 1231,  
Midland, Texas 79701

Amoco  
P. O. Box 3092  
Houston, Texas 77001

Conoco  
P. O. Box 431  
Midland, Texas 79701

Cities Service Oil Company  
800 Vaughn Building  
Midland, Texas 79701

Humble Oil & Refining Company  
P. O. Box 1600  
Midland, Texas 79701

Marathon Oil Company  
P. O. Box 552  
Midland, Texas 79701

cc: Messrs. G. V. Ricks - Roswell  
D. L. Wright - Roswell

*Case 4811*

NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT **AMENDED**

Form C-102  
Supersedes C-128  
Effective 1-1-65

All distances must be from the outer boundaries of the Section

Operator <b>Atlantic Richfield Company</b>		Lease <b>State 367</b>		Well No. <b>3</b>
Unit Letter <b>K</b>	Section <b>36</b>	Township <b>21-S</b>	Range <b>37-E</b>	County <b>Lea</b>
Actual Footage Location of Well: <b>1980</b> feet from the <b>South</b> line and <b>1980</b> feet from the <b>West</b> line				
Ground Level Elev. <b>3358'</b>	Producing Formation <b>Blinebry</b>	Pool <b>Blinebry-Gas</b>	Dedicated Acreage: <b>120</b> Acres	

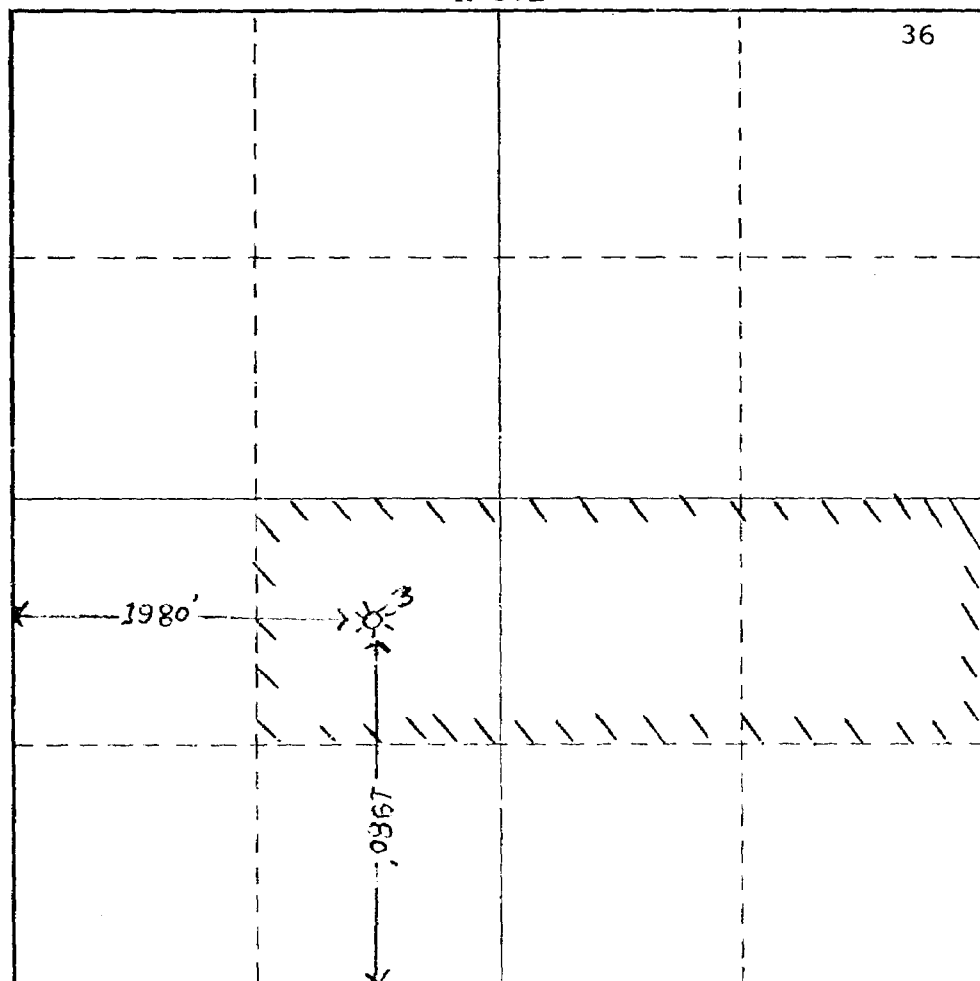
1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation \_\_\_\_\_

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) \_\_\_\_\_

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.

R-37E



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

*G. V. Ricks*

Name

G. V. Ricks

Position

Dist. Prod. & Drlg. Supt.

Company

Atlantic Richfield Co.

Date

August 7, 1972

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

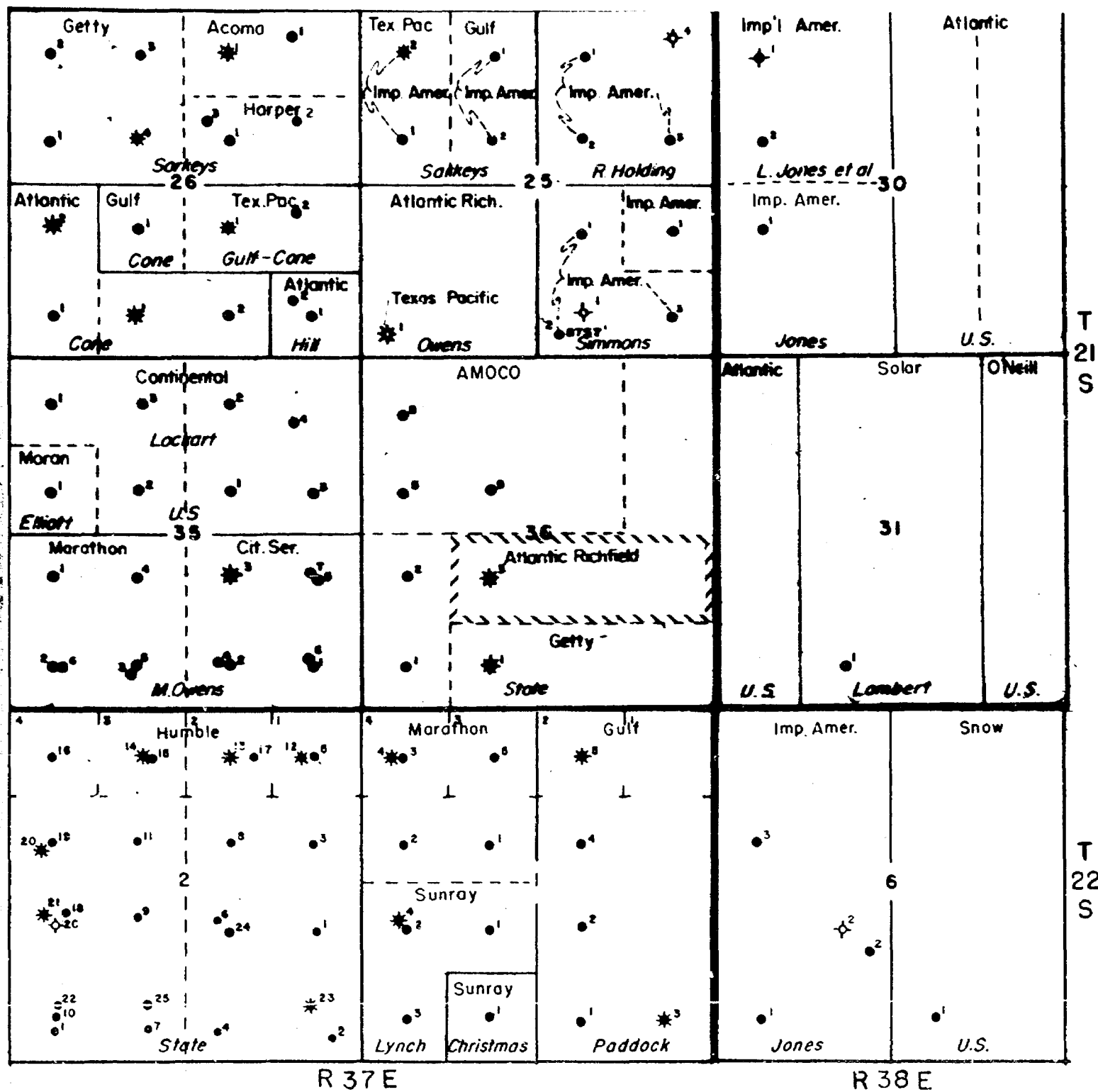
Date Surveyed

Registered Professional Engineer and/or Land Surveyor

Certificate No.

T  
21  
S

Case 4811



PRORATION UNIT REQUESTED

AtlanticRichfieldCompany  
North American Producing Division  
Permian District - Midland, Texas



BLINEBRY GAS POOL  
LEA COUNTY, NEW MEXICO  
APPLICATION FOR NON  
STANDARD GAS PRORATION UNIT

BY J. TWEED	REVIEWED BY CDM	DATE
DATE	REVIEWED BY	DATE
BY W. ENG.	DATE	

Case 4811

DRAFT

GMH/dr

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
COMMISSION OF NEW MEXICO FOR  
THE PURPOSE OF CONSIDERING:

CASE NO. 4811

Order No. R-4401

APPLICATION OF ATLANTIC RICHFIELD  
COMPANY FOR A NON-STANDARD PRORATION  
UNIT, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on September 13, 1972, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this day of September, 1972, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Atlantic Richfield Company, is the owner of a lease or leases comprising, among other lands, the N/2 SE/4 and the NE/4 SW/4 of Section 36, Township 21 South,

Range 37 East, NMPM, Lea County, New Mexico, dedicated simultaneously to its State 367 Wells No. 2 and 3, located in Unit, L and K, respectively, 1/4 said Section 36.

(3) That said well No. 2 has been reclassified as an oil well in the Blinley Pool.



(4) ~~137~~ That the applicant seeks approval of a 120-acre non-standard gas proration unit in the Blinebry Gas Pool comprising ~~the above-described acreage~~ <sup>NE/4 SW/4 and N/2 SE/4</sup> to be dedicated to its State 367 Well No. 3 located in Unit K of said Section 36.

(5) ~~147~~ That approximately \_\_\_\_\_ of the non-standard gas proration unit requested by the applicant may reasonably be presumed to be productive of gas from the Blinebry Gas Pool and can be efficiently and economically drained and developed by the aforesaid well.

(6) ~~157~~ That approval of the 120-acre non-standard gas proration unit as requested by the applicant will afford the applicant the opportunity to produce its just and equitable share of the gas in the Blinebry Gas Pool, will prevent the economic loss caused by the drilling of unnecessary wells, will avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights. ~~provided the subject well receives no more than \_\_\_\_\_ of a standard allowable for the pool.~~

IT IS THEREFORE ORDERED:

(1) That, <sup>effective as of September 1, 1972,</sup> a 120-acre non-standard gas proration unit in the Blinebry Gas Pool comprising the N/2 SE/4 and the NE/4 SW/4 of Section 36, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico, is hereby established and dedicated to <sup>the Atlantic Richfield Company,</sup> its State 367 Well No. 3 located in Unit K of said Section 36.

~~PROVIDED HOWEVER, that the subject well shall receive no more than \_\_\_\_\_ of a standard allowable for the subject pool.~~

(5) ~~157~~ That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

(2) That the allowable assigned to the above-described non-standard gas proration unit shall be based upon the unit size of 120-acres.

(3) That the status of said non-standard unit shall be the status, as of September 1, 1972, of the 160-acre unit previously authorized by Order No. R-3929.

(4) That Order No. R-3929, is hereby placed in effect.

(7) That Order No R-3929 should be placed in abeyance.

CASE 4012: Application of MIDWEST  
OIL CO., INC. FOR AN UNCONCEALED  
LOCATION, BENT COUNTY, N. MEX.

1.  $\text{H}_2\text{O}$   
 2.  $\text{H}_2\text{O}$   
 3.  $\text{H}_2\text{O}$   
 4.  $\text{H}_2\text{O}$   
 5.  $\text{H}_2\text{O}$   
 6.  $\text{H}_2\text{O}$   
 7.  $\text{H}_2\text{O}$   
 8.  $\text{H}_2\text{O}$   
 9.  $\text{H}_2\text{O}$   
 10.  $\text{H}_2\text{O}$